
8. As Kahneman explains, systematic biases play a substantial role not only in our own lives, but in the functioning of groups, businesses, and even societies. Discuss examples from politics, culture, or current affairs that you feel demonstrate certain biases.

9. Kahneman's arguments have been applied widely throughout a variety of industries and disciplines, and many of the cognitive biases (including framing, availability, anchors, and the planning fallacy) have serious implications for professional practice. Can you observe biases—and the exploitation of those biases—in your professional environment? Would you take advantage of the cognitive biases Kahneman describes in your professional life?

10. Kahneman devotes all of Part 3 to examining “overconfidence.” Why does this subject deserve its own section? In what ways is it a concern throughout the book?

11. In Part 4, Kahneman discusses the ways we evaluate losses and gains, and concludes that human beings tend to be loss averse. Discuss the examples of these behaviors that he explores, and consider how much your own thinking about risk and reward has changed as a result. Would you make bets now that you wouldn't have made before, following his advice to “think like a trader”? Does knowing about the “possibility effect,” for instance, change your attitude toward playing the lottery or mitigate fears about certain dangerous but rare occurrences like accidents, terrorism, and disease?

12. Kahneman writes in the introduction that “[a] recurrent theme of this book is that luck plays a large role in every story of success.” Discuss the role of luck in *Thinking, Fast and Slow*, considering especially how it relates to Kahneman's treatment of the world of business and finance. Do you think Kahneman's strong emphasis on luck in stories of success and good fortune is justified?

13. On the last page of his book, Kahneman writes that the “remarkable absence of systematic training for the essential skill of conducting efficient meetings” is one way that decision making could be improved in an organization. Using Kahneman's research, discuss other ways that you think efficiency and effectiveness might be improved at organizations you deal with regularly.

Discussion Questions

“[An] astute book... clear and helpful... refreshing... an eye opening debut, and it will help a lot of parents feel less alone, if not less frazzled.”

- Janet Maslin,
The New York Times

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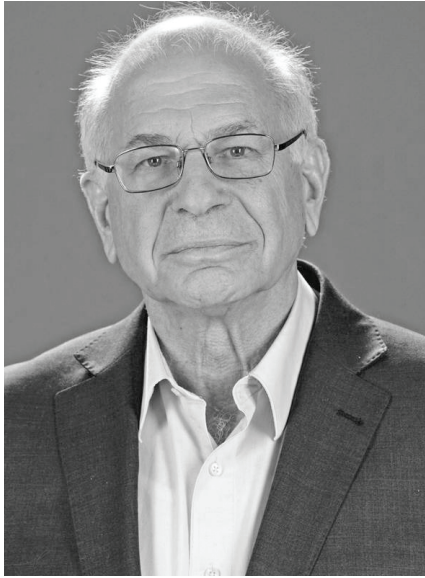
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Daniel Kahneman is an Israeli-American psychologist and winner of the 2002 Nobel Memorial Prize in Economic Sciences. He is notable for his work on the psychology of judgment and decision-making, behavioral economics and hedonic psychology. With Amos Tversky and others, Kahneman established a cognitive basis for common human errors which arise from heuristics and biases (Kahneman & Tversky, 1973; Kahneman, Slovic & Tversky, 1982; Tversky & Kahneman, 1974), and developed prospect theory (Kahneman & Tversky, 1979). He was awarded the 2002 Nobel Memorial Prize in Economics for his

work in prospect theory. In 2011, he was named by Foreign Policy magazine to its list of top global thinkers. In the same year, his book *THINKING, FAST AND SLOW*, which summarizes much of his research, was published and became a best seller.

Book Summary

In his groundbreaking tour of the mind's machinery, Daniel Kahneman, a renowned psychologist and winner of the Nobel Prize in Economics, presents us with two systems that drive the way we think. System 1 is fast, intuitive, and emotional; System 2 is slower, more deliberative, and more logical. The impact of loss aversion and overconfidence on corporate strategies, the difficulties of predicting what will make us happy in the future, the profound effect of cognitive biases on everything from playing the stock market to planning our next vacation—each of these can be understood only by knowing how the two systems shape our judgments and decisions.

Kahneman's ideas have had a profound and widely regarded impact on many fields, including economics, medicine, and politics. Engaging the reader in a lively conversation about how we think, Kahneman reveals where we can and cannot trust our intuitions and how we can tap into the benefits of slow thinking. Rich with practical and enlightening insights into how choices are made in both business and our personal lives, *Thinking, Fast and Slow* will transform the way you think about thinking.

Discussion Questions

1. At the opening of *THINKING, FAST AND SLOW*, Kahneman discusses the “proverbial office water-cooler” as the ideal setting in which readers could use knowledge gained from his book. Why do you think Kahneman makes a point of mentioning gossip so early on? How do you see his claims about the connection between gossip and better decision making playing out in the book and in your own lives?
2. Everyone has his or her favorite “cognitive biases” described in the book. Discuss what you felt were the most surprising, resonant, suggestive, or memorable of the biases, fallacies, and illusions that Kahneman explores. What captured your imagination about these particular ones?
3. On the flip side, what did you think were the least persuasive parts of Kahneman's arguments? What conclusions did you doubt or disbelieve? Were there experiments whose results you questioned?
4. Even though Kahneman discusses the “optimistic bias,” he also says, “If you were allowed one wish for your child, seriously consider wishing him or her optimism.” Using this as a jumping-off point, discuss what is useful about our cognitive biases. What are the “upsides” to the irrational thinking we are all sometimes guilty of? Would we be happier if we were free of all our biases?
5. The Atlantic has called Kahneman the anti-Malcolm Gladwell. Do you agree? How does *THINKING, FAST AND SLOW* compare in argument and approach to other books you may have read about human rationality and behavior?
6. Kahneman writes: “I have made much more progress in recognizing the errors of others than my own.” Based on your reading of *THINKING, FAST AND SLOW*, what practices, behaviors, or activities do you think we could cultivate to strengthen System 2's effortful thinking over System's 1's automatic responses? How optimistic are you about the results over time? Which of the biases do you think would be the most difficult to uproot?
7. “Self-help” books are traditionally thought to empower us to take greater control over our own lives, but *THINKING, FAST AND SLOW* also calls into question the limits of our rationality. Do you think *THINKING, FAST AND SLOW* works as a piece of self-help literature? After reading it, do you feel more or less “in control”?